

EXHIBIT 2  
9400-YO-100  
01/14/2015 (aff)

Public Service Commission of Wisconsin  
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Ex.-IUOE Local 420-2  
Response to PSCW's First Data Request  
in Docket No. 5-UR-107  
Docket No. 9400-YO-100

JOINT APPLICATION OF WISCONSIN ELECTRIC POWER COMPANY AND  
WISCONSIN GAS LLC TO CONDUCT A BIENNIAL REVIEW OF COSTS AND  
RATES - TEST YEAR 2015

DOCKET NO. 5-UR-107

PSCW'S FIRST DATA REQUEST

PSCW-RR-69:

Provide monthly employee counts by employee group and by specific union for the most recent calendar year and the test year. For any new positions, provide position titles, documentation supporting the need for a new employee, and estimated wages for such employee for the test year.

Response:

Please see Attachment 1 for the monthly employee counts by employee group and by specific union for the most recent calendar year and the test year.

During 2013 we saw an exceptionally high number of retirements. From 2010 to 2012 between 130 to 152 people retired annually. In 2013 the number of retirements jumped to 204. That is more than 43% increase in retirements over the three year average of 142 per year. Of those 204 retirements last year, 65 employees retired in the fourth quarter and 47 retired in December alone. We believe that a significant amount of retirements we experienced may have been driven by a pending change to the discount rate of the pension plan that provided an incentive for people to retire before the end of the year.

We are actively engaged in the process of replacing these positions, but the process takes time. Because we cannot immediately replace a retired employee, 2013 average number of employees and actual number of employees is artificially low. They will remain artificially low until we can re-staff through our normal hiring process.

**Business Areas' discussions:**

We forecast an increase in staffing for the Generation business area of 44 positions vs. our average headcount for 2013. We evaluate each vacancy to determine if the position must be filled for safety and/or reliability purposes. We have determined several positions where our staffing levels will decrease from the 2013 average because of these vacancy evaluations. Four areas which we will need to fill positions include, among others, Plant Mechanics, Control Room Operators, Plant Operators and General Laborer positions in Power Generation. The Company added several employees in these positions in early 2014 and hopes to continue to fill positions throughout 2014. The positions are at most plants however there is a higher than normal level of vacancies at PIPP. Because of the uncertainty of the future operations of PIPP the Company had not filled certain positions, however although the future is not certain it is likely the plant will run for several more years and we have a need to ensure proper staffing levels.

The Customer Service average employee count decrease of 32 employees from 630 in 2013 to 598 in 2015 is due to a reduction of 13 meter readers because of expanding the automated meter reading program, a reduction of 11 to reflect average attrition rates leading to open positions at the Call Center, and an eight position decrease in Customer Service headcounts, attributable to the timing of hiring and releasing seasonal employees primarily in the call center.

The Electric Operations average employee count increase of 32 from 1,220 in 2013 to 1,252 in 2015 is driven primarily by increases in Line Mechanics and Designers. An increase of 13 Designers in the Major Projects work group is required to meet the continued expansion of gas and electric distribution capital projects forecasted. For 2014 32 line mechanics will be added in two classes of 16. This will increase the 2014 average headcount by 18, and the 2015 headcount by the full 32.

The Gas Operations average employee count increase of 11 employees from 535 in 2013 to 546 in 2015—primarily driven by the large increase in capital expenditures. This includes the hiring of inspection personnel across several geographic areas make up an increase of five for this: One Drafting/Mapping position and one Planning Engineer are also listed to cover the growing work load due to the gas capital projects. Two positions in the LNG/Propane operations group are needed to fill two retirements that took place in late 2013, and two Coop Engineer positions are listed to fill vacancies. In the Milwaukee area three Service Fitter positions are included in the increase, in order to maintain appropriate emergency response functions and to fill vacant positions. These 14 positions are added throughout the year and on average increase headcount by 11 employees.

The Supply Chain average increase of 5 personnel will bring staff up to the appropriate level due to recent vacancies that are much larger than normal. These positions are a mix of storeroom personnel and sourcing personnel. Administrative Services has an average increase of 7 positions, also due primarily to larger than normal vacancy levels.

In Information Technology, our Test Year staffing levels are fairly consistent with our 2013 numbers with an overall increase of 1 employee. The remaining difference of 13 reflects open positions from normal staff turnover and retirements incurred throughout the year not yet filled at the end of the year. Where practical, external contractors have temporarily filled roles while other cases see additional overtime until the vacancies are filled.

In Finance and Other Corporate Center Business Areas, our Test Year staffing levels overall are fairly consistent with our 2013 average staffing numbers. Compared with 2013 year end our Test Year staffing had an overall increase of 7 headcount. The incremental additions reflect primarily replacements for 2013 year end retirements and normal staff turnover. We are actively recruiting for replacements and have increased use of contractors currently to meet business needs.

Please see Attachment 2 for Average Headcount changes by Business Areas.

Answered by: Mary Shiely

WISCONSIN ELECTRIC  
TEST YEAR 2015  
DOCKET NO. 5-UR-107  
Employee Counts by Employee Group

PSCW-RR-69

2015 Test Year	Average	Jan - 2015	Feb - 2015	Mar - 2015	Apr - 2015	May - 2015	Jun - 2015	Jul - 2015	Aug - 2015	Sep - 2015	Oct - 2015	Nov - 2015	Dec - 2015
Wisconsin Electric													
Executive	19	19	19	19	19	19	19	19	19	19	19	19	19
Management	1,378	1,378	1,378	1,379	1,379	1,379	1,379	1,379	1,378	1,378	1,378	1,377	1,377
Non-Union	36	35	35	35	36	37	39	39	39	35	35	35	35
Local 2150	1,894	1,783	1,890	1,899	1,924	1,943	1,938	1,930	1,925	1,893	1,900	1,894	1,807
Local 420	522	522	522	522	522	522	522	522	522	522	522	522	522
Local 510	147	147	147	147	147	147	147	147	147	147	147	147	147
Local 2006	147	147	147	147	147	148	148	148	148	147	147	147	147
Sub-Total Wisconsin Electric	4,143	4,031	4,138	4,148	4,174	4,195	4,192	4,184	4,178	4,141	4,148	4,141	4,054

2013 Actuals	Average	Jan - 2013	Feb - 2013	Mar - 2013	Apr - 2013	May - 2013	Jun - 2013	Jul - 2013	Aug - 2013	Sep - 2013	Oct - 2013	Nov - 2013	Dec - 2013
Wisconsin Electric													
Executive	19	21	20	19	19	19	19	19	19	19	19	19	19
Management	1344	1,364	1,360	1,350	1,342	1,335	1,343	1,342	1,338	1,341	1,339	1,340	1,337
Non-Union	28	26	25	25	25	38	33	33	32	27	27	27	20
Local 2150	1873	1,809	1,886	1,887	1,911	1,921	1,918	1,930	1,903	1,883	1,865	1,831	1,730
Local 420	537	550	547	545	541	540	536	532	527	524	523	539	539
Local 510	111	116	114	114	113	112	112	111	109	109	109	107	106
Local 2006	151	156	154	154	153	152	152	152	150	150	149	144	142
Sub-Total Wisconsin Electric	4063	4,042	4,106	4,094	4,104	4,117	4,113	4,119	4,078	4,053	4,031	4,007	3,893

2012 Actuals	Average	Jan - 2012	Feb - 2012	Mar - 2012	Apr - 2012	May - 2012	Jun - 2012	Jul - 2012	Aug - 2012	Sep - 2012	Oct - 2012	Nov - 2012	Dec - 2012
Wisconsin Electric													
Executive	24	26	25	24	23	23	23	23	23	23	23	23	23
Management	1362	1,375	1,372	1,367	1,365	1,361	1,367	1,357	1,351	1,351	1,360	1,358	1,357
Non-Union	29	26	26	26	26	38	34	35	32	29	28	26	23
Local 2150	1939	1,852	1,936	1,951	1,969	2,000	1,992	1,988	1,968	1,947	1,934	1,911	1,820
Local 420	555	549	547	560	558	558	557	555	553	553	557	554	554
Local 510	120	124	125	122	121	119	119	119	119	120	119	119	116
Local 2006	161	159	159	160	160	161	163	163	163	163	163	161	161
Sub-Total Wisconsin Electric	4,190	4,111	4,190	4,210	4,222	4,260	4,255	4,240	4,209	4,186	4,184	4,152	4,054

WISCONSIN GAS  
TEST YEAR 2015  
DOCKET NO. 5-UR-107  
Employee Counts by Employee Group

PSCW-RR-69

2015 Test Year	Average	Jan - 2015	Feb - 2015	Mar - 2015	Apr - 2015	May - 2015	Jun - 2015	Jul - 2015	Aug - 2015	Sep - 2015	Oct - 2015	Nov - 2015	Dec - 2015
Wisconsin Gas													
Management	132	131	132	132	132	132	132	132	132	132	132	132	132
Local 2006 Unit 3	3	3	3	3	3	3	3	3	3	3	3	3	3
Local 2006	230	207	210	235	237	236	237	237	237	237	237	237	207
Local 2150	92	91	91	91	91	93	93	93	93	93	91	91	91
Sub-Total Wisconsin Gas	457	432	436	461	463	464	465	465	465	465	463	463	433

2013 Actuals	Average	Jan - 2013	Feb - 2013	Mar - 2013	Apr - 2013	May - 2013	Jun - 2013	Jul - 2013	Aug - 2013	Sep - 2013	Oct - 2013	Nov - 2013	Dec - 2013
Wisconsin Gas													
Management	129	125	126	130	130	132	131	130	130	130	129	129	127
Local 2006 Unit 3	3	3	3	3	3	3	3	3	3	3	3	3	3
Local 2006	226	216	221	232	237	235	235	234	233	230	226	218	192
Local 2150	90	91	91	91	91	91	93	92	91	91	91	85	85
Sub-Total Wisconsin Gas	448	435	441	456	461	461	462	459	457	454	449	435	407

2012 Actuals	Average	Jan - 2012	Feb - 2012	Mar - 2012	Apr - 2012	May - 2012	Jun - 2012	Jul - 2012	Aug - 2012	Sep - 2012	Oct - 2012	Nov - 2012	Dec - 2012
Wisconsin Gas													
Management	122	120	121	122	122	121	122	122	122	123	124	124	124
Non-Union	1	1	1	1	1	1	1	1	1	1	1	1	
Local 2006 Unit 3	93	90	91	93	94	93	93	94	94	93	93	93	91
Local 2006	6	6	6	6	6	6	6	6	6	6	6	6	6
Local 2150	233	236	229	244	238	238	237	235	232	230	226	223	222
Sub-Total Wisconsin Gas	455	453	448	466	461	459	459	458	455	453	450	447	443

	2013 Actual Employee Count Average	Change	2015 Test Year Employee Count Average
<b>WeEnergies</b>	<b>4511</b>	<b>89</b>	<b>4600</b>
<b>Generation</b>	<b>1346.8</b>	<b>44.4</b>	<b>1391.2</b>
Power Generation	1180.2	44.7	1224.8
Wholesale Energy & Fuel	90.3	3.1	93.3
Environmental	53.4	0.6	54.0
Generation Projects	22.9	-3.9	19.0
<b>Delivery</b>	<b>2573.3</b>	<b>23.6</b>	<b>2596.9</b>
Customer Service	629.9	-31.7	598.3
Electric Operations	1220.7	31.8	1252.4
Gas Operations	534.6	11.8	546.3
Administrative Services	65.8	6.5	72.3
Supply Chain	122.4	5.3	127.7
<b>Corporate Center</b>	<b>591.0</b>	<b>20.6</b>	<b>611.6</b>
Information Technology	311.0	14.0	325.0
Finance	127.0	2.0	129.0
Corporate Center - Other	153.0	4.6	157.6

<b>We Energies Employee Retirements</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
January	7	15	10	8
February	7	15	8	19
March	7	17	14	16
April	11	15	19	18
May	11	6	17	19
June	9	10	9	17
July	19	14	15	13
August	14	9	10	13
September	13	9	5	16
October	17	7	5	7
November	12	10	11	11
December	25	17	7	47
<b>Annual</b>	<b>152</b>	<b>144</b>	<b>130</b>	<b>204</b>
1st Q	21	47	32	43
2nd Q	31	31	45	54
3rd Q	46	32	30	42
4th Q	54	34	23	65